



House of Representatives

General Assembly

File No. 643

February Session, 2004

House Resolution No. 26

House of Representatives, April 21, 2004

The House Committee on Appropriations reported through REP. DYSON of the 94th Dist., Chairperson of the Committee on the part of the House, that the resolution ought to be adopted.

RESOLUTION PROPOSING APPROVAL OF A COLLECTIVE BARGAINING AGREEMENT BETWEEN THE STATE OF CONNECTICUT AND THE AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES, COUNCIL 4, CORRECTIONS (NP-4) BARGAINING UNIT.

Resolved by this House:

- 1 That the collective bargaining agreement between the State of
- 2 Connecticut and the American Federation of State, County and
- 3 Municipal Employees, Council 4, Corrections (NP-4) Bargaining Unit,
- 4 effective July 1, 2004, to June 30, 2008, inclusive, submitted to this
- 5 assembly April 2, 2004, for approval, as provided in subsection (b) of
- 6 section 5-278 of the general statutes, is approved.

APP *House Favorable*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact:

Fund-Type	Agencies Affected	FY 06 \$	FY 07 \$	FY 08 \$
Various - Cost	Department of Correction, Board of Parole	9,525,491	22,245,328	32,271,547
GF - Cost	Department of Correction, Board of Parole	9,319,848	21,765,045	31,574,698

Note: GF=General Fund

Municipal Impact: None

Explanation

This collective bargaining agreement for the Corrections (NP-4) bargaining unit is submitted for approval for the four-year period July 1, 2004 through June 30, 2008. Costs shown above are for the 5,015 All Funds full-time employees covered by this contract, including 4,907 General Fund full-time employees. The estimated FY 08 annualized cost of this agreement is \$33,359,788 for All Funds, of which \$32,639,433 is for the General Fund. Details of the costs are attached.

This agreement includes a FY 05 wage freeze. As a result, there is no FY 05 fiscal impact. This contract provides FY 06 and FY 07 wage increases, which are generally in line with increases in other bargaining units for the same time period. The Corrections (NP-4) bargaining unit is the first bargaining unit to settle for FY 08. In FY 08, the agreement provides a 3% general wage increase and on-time annual increments.

Cost Estimate of Agreement

All Funds

Corrections (NP-4) Bargaining Unit

Agencies Affected: Department of Correction, Board of Parole

Term of Contract: Four years, July 1, 2004 through June 30, 2008

Number of Full-Time Employees Affected by Contract:

4,907 General Fund
108 Other Funds
5,015 Total

Average Full-Time Salary Data:

	Percent Increase (Cash Basis)					
	Salary	Total	General	Annual	Lump	Other
			Wage	Increments	Sum At	
			Increase		Maximum	
Prior to Contract	\$ 47,435					
1st Year of Contract (FY 05)	47,435	0.00%	0.00%	0.00%	0.00%	0.00%
2nd Year of Contract (FY 06)	49,199	3.72%	2.68%	0.19%	0.26%	0.59%
3rd Year of Contract (FY 07)	50,706	3.06%	2.65%	0.38%	0.03%	0.00%
4th Year of Contract (FY 08)	52,358	3.26%	2.66%	0.57%	0.03%	0.00%

	Percent Increase (Annualized Basis)					
	Salary	Total	General	Annual		Other
			Wage	Increments		
			Increase			
Prior to Contract	\$ 47,435					
1st Year of Contract (FY 05)	47,435	0.00%	0.00%	0.00%	0.00%	0.00%
2nd Year of Contract (FY 06)	49,856	5.10%	2.78%	1.06%	0.65%	0.61%
3rd Year of Contract (FY 07)	51,721	3.74%	2.76%	0.95%	0.03%	0.00%
4th Year of Contract (FY 08)	53,613	3.66%	2.77%	0.86%	0.03%	0.00%

Cost Summary Data (Estimated):

	At End	Percent
Prior to	Of Contract	Increase
Contract	Annualized	(four years)

Salaries [1]	\$ 237,887,975	\$ 268,867,806	13.0%
Fringe Benefits [2]			
Current Items	\$ 82,796,379	\$ 87,979,304	
Negotiated Improvements	<u>-</u>	<u>10,000</u>	
Total Fringe Benefits	\$ 82,796,379	\$ 87,989,304	6.3%
Total	\$ 320,684,354	\$ 356,857,110	11.3%

2.71% average per year (compounded)

[1] Salaries include base salary, longevity payments, meal allowance, night and weekend differential payments, and reporting pay. Overtime is not included.

[2] Fringe Benefits include Social Security, normal cost of pension contributions, health and life insurance, and tuition reimbursement funds.

Detail of Cost Estimates

All Funds

Contract Items	FY 08				
	FY 05	FY 06 [1]	FY 07 [1]	FY 08 [1]	Annualized [1]
First Year (FY 05)					
No Salary Increases	\$ -	\$ -	\$ -	\$ -	\$ -
Total First Year	\$ -	\$ -	\$ -	\$ -	\$ -
Second Year (FY 06)					
3% General Wage Increase, Effective 6/24/05 (25 pay periods)		\$ 6,368,503	\$ 6,623,243	\$ 6,623,243	\$ 6,623,243
Annual Increments, Delayed Six Months		448,328	2,457,647	2,517,097	2,517,097
Implement \$500 Lump Sum Payment for Employees at Maximum		622,000	2,453,000	1,537,500	1,537,500
Increase Night Shift Differential from \$0.75/hour to \$0.80/hour, Effective 6/24/05 (25 pay periods)		225,847	234,880	234,880	234,880
Increase Weekend Differential from \$0.50/hour to \$0.55/hour, Effective 6/24/05 (25 pay periods)		84,978	88,377	88,377	88,377
Increase Meal Allowance from \$7 to \$8 per Shift, Effective 6/24/05 (25 pay periods)		1,094,275	1,138,046	1,138,046	1,138,046
Increase Tuition Reimbursement from \$50,000 to \$55,000		5,000	5,000	5,000	5,000
Total Second Year		\$ 8,848,930	\$ 13,000,192	\$ 12,144,143	\$ 12,144,143
Third Year (FY 07)					
3% General Wage Increase, Effective 6/23/06 (25 pay periods)			6,632,166	\$ 6,897,453	\$ 6,897,453
Annual Increments Delayed Three Months			947,846	2,377,627	2,377,627
Additional Cost of \$500 Lump Sum Payment for Employees at Maximum			80,000	80,000	80,000
Increase Tuition Reimbursement Fund from \$55,000 to \$60,000			5,000	5,000	5,000

					FY 08
Contract Items	FY 05	FY 06 [1]	FY 07 [1]	FY 08 [1]	Annualized [1]
Total Third Year			\$ 7,665,012	\$ 9,360,080	\$ 9,360,080
Fourth Year (FY 08)					
3% General Wage Increase, Effective 6/22/07 (25 pay periods)				\$ 6,899,717	\$ 7,175,705
Annual Increments				1,484,484	2,219,403
Additional Cost of \$500 Lump Sum Payment for Employees at Maximum				90,500	90,500
Total Fourth Year				\$ 8,474,701	\$ 9,485,608
Total Contract Items	\$ -	\$ 8,848,930	\$ 20,665,204	\$ 29,978,924	\$ 30,989,831
Social Security Costs [2]	-	676,561	1,580,123	2,292,623	2,369,957
Total Cost of Contract	\$ -	\$ 9,525,491	\$ 22,245,328	\$ 32,271,547	\$ 33,359,788
Estimated General Fund Cost	\$ -	\$ 9,319,848	\$ 21,765,045	\$ 31,574,698	\$ 32,639,433

[1] This cost analysis is based on annual costs equaling the payment of 26 payrolls. PA 03-1 of the June 2003 Special Session authorizes the development of the 2005-2007 state budget on a GAAP (Generally Accepted Accounting Principles) basis. This change will basically add one-tenth of a payroll to annual costs beginning in FY 06.

[2] In addition to the above items, the agreement includes a provision to pay out accrued holiday compensatory days upon separation from state service based on an 8.25 hour work day for those employees assigned to schedules with work days of 8.25 hours.

OFA Bill Analysis

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SUMMARY:

A separate analysis is not prepared since the fiscal note contains much of the same information that would go into a separate analysis.

EFFECTIVE DATE: Upon passage.

COMMITTEE ACTION

Appropriations Committee

House Favorable Report

Yea 35 Nay 0